

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 14300 241723Z

42

ACTION NEA-10

INFO OCT-01 ISO-00 SWF-01 AGR-05 EB-04 CIAE-00 DODE-00

PM-03 H-01 INR-05 L-01 NSAE-00 NSC-05 PA-01 RSC-01

PRS-01 SP-02 SS-15 USIA-06 OES-03 COME-00 FRB-01

TRSE-00 CIEP-01 OMB-01 IO-04 DRC-01 /073 W

----- 108666

R 241122Z OCT 74

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 4771

LIMITED OFFICIAL USE NEW DELHI 14300

FOLNG SENT NEW DELHI INFO BOMBAY AND CALCUTTA DATED 23 OCTOBER:

QUOTE: MADRAS 1346

E.O. 11652: N/A

TAGS: PFOR, IN

SUBJECT: FOOD AND POLITICS IN KARNATAKA

1. I VISITED BANGALORE OCTOBER 21 FOR A QUICK CHECK ON THE FOOD AND POLITICAL SITUATION IN KARNATAKA. THE GENERAL MOOD WAS ONE OF REASONABLE SATISFACTION OVER FOOD PROSPECTS IN THE STATE, BUT WITH CONCERN AND INDICATIONS OF INCREASING HARDSHIP AMONG SOME SEGMENTS OVER MOUNTING PRICES. THERE WAS NO EXPECTATION OF SERIOUS UNREST WITHIN THE FORESEEABLE FUTURE.

2. BECAUSE OF BELOW NORMAL RAINFALL IN SOME AREAS, THE OUTLOOK FOR THE KHARIF CROP IS FOR ABOUT A TEN PERCENT SHORTFALL FROM THE TARGETTED 4.7 MILLION TONS. THE AGRICULTURE SECRETARY SAID THE SHORTFALL MIGHT BE AS MUCH AS 500,000 TONS, BUT BOTH HE AND THE FOOD SECRETARY THOUGHT THAT THIS SHORTFALL OR MUCH OF IT COULD BE MADE UP IN THE RABI CROP, ASSUMING REASONABLY GOOD RAINS. AT THIS POINT, HOWEVER, THE MOST REALISTIC PROJECTION FOR THE 1974-75 CROP YEAR WOULD APPEAR TO BE A FOODGRAIN OUTPUT NO GREATER THAN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 14300 241723Z

THE 6.1 MILLION TONS PRODUCED IN 1973-74, AND PERHAPS marginally

SHORT OF THAT AMOUNT. TAKING POPULATION GROWTH INTO ACCOUNT, THIS WOULD OF COURSE MEAN LESS FOOD PER PERSON IN THE STATE THAN LAST YEAR.

3. HOWEVER, OFFICIALS APPEAR CONFIDENT THAT THEY CAN PROCURE ENOUGH FOODGRAINS TO MEET THE NEEDS OF THE PUBLIC DISTRIBUTION SYSTEM (WHICH IS ONE OF INFORMAL RATIONING), FOR WHICH 12,000 - 15,000 TONS OF FOODGRAINS). PRICES FOR RICE IN THE STATE'S FAIR PRICE SHOPS RUN FROM RS 1.35 TO RS 1.75 PER KILO, DEPENDING ON GRADE OF RICE, WHILE THE CORRESPONDING OPEN MARKET PRICES RUN FROM RS 1.70 TO RS 2.70 PER KILO, SLIGHTLY MORE THAN IN HYDERABAD BUT LESS THAN IN MADRAS AND KERALA.

4. PEOPLE OF ALL CLASSES ARE FEELING THE PINCH OF RISING PRICES. THE FOOD SECRETARY SAID HE AND HIS FAMILY WERE HAVING TO CUT BACK ON "LUXURY" FOOD ITEMS; THEY WERE ALSO, HE SAID, NO LONGER EATING OUT IN RESTAURANTS AND THEY HAD STARTED TO THINK TWICE ABOUT GOING OUT TO SEE A FILM. MORE SADLY, THERE ARE POCKETS OF REAL DISTRESS IN THE NORTH CENTRAL PART OF THE STATE, A PERENNIALY POOR AND DROUGHT PRONE SECTION. THE CHIEF SECRETARY DENIED THAT THERE HAD BEEN ANY STARVATION DEATHS (THE PRESS HAD REPORTED ONE IN THAT AREA) BUT ADMITTED THE EXISTENCE OF HARDSHIP IN THE AREA. FINANCE MINISTER GHORPADE, WHO COMES FROM RURAL BELLARY DISTRICT, SPOKE WITH STRONG FEELING OF THE "UNFAIRNESS OF THE SYSTEM" UNDER WHICH PEOPLE IN HIS AREA, AND IN THE RURAL AREAS GENERALLY, WERE HAVING TO BEAR AN UNDULY HEAVY SHARE OF THE SUFFERING IN TERMS OF PRICES FOR FOOD AND OTHER ESSENTIAL COMMODITIES BECAUSE THEY WERE INARTICULATE AND UNORGANIZED. IN CONTRAST, HE NOTED, THE ORGANIZED WORKERS AND URBAN ELEMENTS MADE THE GOVERNMENT, FOR POLITICAL REASONS, TAKE NOTE OF THEIR NEEDS.

5. NO ONE SAW ANY LAW AND ORDER THREAT WITHIN THE FORESEEABLE FUTURE. THE SPEAKER OF THE ASSEMBLY, AN AGRICULTURALIST, SAID THE PEOPLE IN THE RURAL AREAS WERE "COMPLETELY DOCILE" AND THE CHIEF SECRETARY VOLUNTEERED THAT THE GOVERNMENT HAD BOTH A SPECIAL "FOOD BUDGET" AND "LAW AND ORDER BUDGET" AS PART OF ITS "ADMINISTRATIVE STRATEGY" TO CHECK THE EMERGENCE OF ANY SERIOUS DISCONTENT.

6. POLITICAL ATTENTION APPEARED TO BE CENTERED ENTIRELY ON LOCAL AFFAIRS, PARTICULARLY ON THE ANTICIPATED ENLARGEMENT OF THE MINISTRY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 NEW DE 14300 241723Z

BY CHIEF MINISTER URS TO PLACATE THE DISSIDENTS WITHIN THE CONGRESS (R) LEGISLATIVE PARTY, AND ON THE IMPLICATIONS OF URS' CONTINUED LEADERSHIP OF THE RECENT ELECTION OF K.H. PATIL, A STRONG AND AMBITIOUS POLITICIAN, AS STATE CONGRESS PARTY PRESIDENT. RAMAKRISHNA HEGDE, THE DEPUTY LEADER OF CONGRESS (O) AND A FORMER FINANCE MINISTER, TOLD ME HE THOUGHT URS WOULD BE ABLE TO CONTROL THE DISSIDENTS BUT THAT EVENTUALLY HE WOULD BE SERIOUSLY CHALLENGED BY PATIL. MEANWHILE, CONGRESS (O),

WHICH IS THE LEADING OPPOSITION PARTY, CONTINUES TO DO VERY WELL IN THE BY-ELECTIONS. HEGDE THOUGHT A POPULAR TIDE WAS DEFINITELY RUNNING AGAINST THE URS GOVERNMENT BECAUSE OF HIGH PRICES AND ALLEGATIONS OF CORRUPTION, AND HE SAID THE ONLY MAJOR LIMITATION ON CONGRESS (O)'S ABILITY TO TAKE FULL ADVANTAGE OF THE OPPORTUNITY WAS ITS LACK OF MONEY. HEGDE NOTED IN PASSING THAT THE CONGRESS (O) IN KARNATAKA WAS INCREASINGLY A DE FACTO STATE PARTY AND THAT SERIOUS CONSIDERATION WAS BEING GIVEN IN THE PARTY TO FORMALIZING THAT STATUS AND TO JOINING THE BLD, ALTHOUGH THEY WOULD WAIT AND SEE HOW THE BLD DEVELOPED.

7. EXPRESSIONS OF INTEREST IN NATIONAL AND INTERNATIONAL EVENTS WERE LIMITED. AS DURING MY RECENT VISIT TO HYDERABAD, NO ONE ASKED ABOUT CIA OR US ARMS TO PAKISTAN. THE FINANCE MINISTER (A CAMBRIDGE GRADUATE IN ECONOMICS) WAS THE ONLY PERSON TO RAISE THE QUESTION OF POSSIBLE US FOOD ASSISTANCE, BUT ONLY IN THE CONTEXT OF WHETHER MILO RATHER THAN WHEAT COULD NOT BE SUPPLIED, AS MILO IS MORE POPULAR IN KARNATAKA. SEVERAL WELCOMED THE SECRETARY'S VISIT, SEEING IT MOSTLY IN TERMS OF POLITICAL POOD-WILL RATHER THAN SPECIFIC ECONOMIC EXPECTATIONS.

EAVES

UNQUOTE SCHNEIDER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROVINCE, FOOD SHORTAGE, ECONOMIC CONDITIONS, KARNATAKA
Control Number: n/a
Copy: SINGLE
Draft Date: 24 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974NEWDE14300
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740305-0721
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741020/aaaaaqkb.tel
Line Count: 137
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 16 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16-Aug-2002 by izenbei0>; APPROVED <06 MAR 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FOOD AND POLITICS IN KARNATAKA
TAGS: PFOR, IN
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005